

Central Intelligence Agency



Washington, D.C. 20505

GEN FILE LEG

08 SEP 1989

UCA 3124-89

Mr. James C. Murr
Assistant Director for Legislative Reference
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Murr:

This is in response to your request for the views of the Central Intelligence Agency on the DoD draft proposal, 101-62, "The Military Intelligence Authorities Enhancement Act." The proposed bill would grant DoD additional authorities to provide intelligence training for foreign military personnel, to acquire foreign military equipment, and to make agreements with foreign officials concerning the dissemination and exchange of intelligence.

On 21 September 1988, we provided you written objections to an earlier version of the same draft bill. At that time, we were concerned that the proposals were so broadly drafted that they could be construed to override existing legal authorities of the Director of Central Intelligence. We continue to have the same objections to the current draft proposals and, without major changes, we cannot concur in the transmittal of the proposals to Congress.

We have discussed our problems with the Defense Intelligence Agency and they have agreed to language changes which would enable us to remove our objections. We have thus enclosed copies of the revised draft bill, the section by section analysis and the revised proposed letter to the Speaker of the House. The new language is double underscored. Should these revisions be incorporated into the proposed legislation, the CIA will not object to the introduction of this bill.

Sincerely,

A rectangular box containing a signature, likely of E. Norbert Garrett.

E. Norbert Garrett
Director of Congressional Affairs

Enclosures

STAT

OCA 3124-89

Mr. James C. Murr

OCA/LEG, [REDACTED] (6 Sept 89)

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STAT

A BILL

To amend title 10, United States Code, to improve existing military intelligence collection, production, and dissemination capabilities, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this Act may be cited as the "Military Intelligence Enhancement Act."

Sec. 101. Chapter 101 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"2011. Training of Certain Foreign Personnel

(a) Notwithstanding any other provision of law, the Secretary of Defense may provide training in intelligence collection, analysis, and dissemination to personnel of the armed forces of any other country where the Secretary determines that such training will further the collection, production, or dissemination of foreign intelligence or counterintelligence by the Department of Defense.

(b) All intelligence training provided by the Secretary of Defense under subsection (a) shall be coordinated with the Director of Central Intelligence according to Director of Central Intelligence policies and procedures governing intelligence liaison with foreign officials.

Sec. 102. Title 10, United States Code, is amended by adding a new chapter 154 to read as follows:

"Chapter 154 - Foreign Materiel Utilization.

2590. Acquiring or Exploiting Foreign Materiel

(a) Notwithstanding any other provision of law, the Secretary of Defense may acquire or accept foreign materiel important to the military or intelligence interests of the United States, and may exchange, accept or furnish materiel, or information concerning such materiel, pursuant to an agreement with a foreign country or international organization governing such materiel acquisition or exploitation. Transfers of foreign materiel under this chapter are subject to the provisions of section 503 of the National Security Act of 1947.

(b) All intelligence activities conducted by the Secretary of Defense under subsection (a) shall be coordinated with the Director of Central Intelligence according to Director of Central Intelligence policies and procedures governing Intelligence liaison with foreign officials.

"2591. Funding to Acquire or Exploit Foreign Materiel

Notwithstanding any other provision of law, sums appropriated to the Department of Defense shall be available to acquire or exploit foreign materiel when such acquisition or exploitation is determined by the Secretary to be important to the military or intelligence interests of the United States."

SECTION-BY-SECTION ANALYSIS

Section 101 adds a new section to chapter 101 of title 10, United States Code, authorizing the Secretary of Defense to provide training to foreign military personnel if he determines that collection, production, or dissemination of foreign intelligence or counterintelligence by the Department of Defense will be enhanced. Proposed section 2011 contemplates that such training will be confined to intelligence collection, production, and dissemination skills, and must be coordinated with the Director of Central Intelligence.

Section 102 creates a new chapter 154 within title 10, United States Code, dealing with foreign materiel utilization. Proposed section 2590 authorizes the Secretary of Defense to acquire or accept, and exploit foreign materiel important to the military or intelligence interests of the United States and to exchange, accept, or furnish materiel or related information pursuant to agreements with foreign countries or international organization. Proposed section 2590 specifies that foreign materiel transfers will be governed by the provisions of section 503 of the National Security Act of 1947 (50 U.S.C. 415) which, in turn, require that the Congress be apprised of certain transfers of materiel or services. Proposed section 2590 emphasizes the existing requirement that intelligence activities involving foreign materiel must be coordinated with the Director of Central Intelligence. Proposed section 2591 makes all sums appropriated to the Department of Defense available for acquiring or exploiting foreign materiel when the Secretary determines that such acquisition is important to the military or intelligence interests of the United States.

The Honorable Thomas S. Foley
Speaker of the House
of Representatives
Washington, D.C. 20515

Dear Mr. Speaker:

Allow me to submit for consideration the attached draft legislation, which is intended to improve existing military intelligence collection, production, and dissemination capabilities. This legislation can be entitled "The Military Intelligence Authorities Enhancement Act."

This proposal is part of the Department of Defense legislative program for the 101st Congress. The Office of Management and Budget (OMB) advises that, from the standpoint of the Administration's program, there is no objection to presenting this legislation to the Congress for consideration at this time.

PURPOSE OF THE LEGISLATION

This proposal seeks to ameliorate several shortcomings in authority that currently degrade our ability to collect, produce, and disseminate the quantity and quality of foreign intelligence and counterintelligence necessary for the national defense.

1. Intelligence Training for Foreign Military Personnel. The Defense Intelligence Agency (DIA) has had several opportunities to establish or improve intelligence collection capabilities frustrated because of the Agency's inability to offer basic intelligence training for foreign military personnel. Such training authority could enhance substantially the Agency's ability to establish or expand liaison and cooperation with foreign intelligence services. The training to be provided generally would teach basic intelligence skills to selected foreign military personnel. These basic skills, such as data base creation and management and imagery interpretation skills, would be used to assist in the production, exploitation, and analysis of intelligence.

The Honorable Thomas S. Foley

They would be used to principally increase the foreign military's tactical intelligence capability. The increased capability of nations would enhance mutual interoperability of intelligence production, exploitation and analysis. It does not envision training in trade craft or intercept technology. The initial cooperation contact will be coordinated with CIA and future actual training projects will be coordinated with the CIA in those instances where provisions of law or regulations require prior coordination for such training in intelligence collection, analysis and dissemination. For example, CIA coordination will be obtained in situations where the Department of Defense envisions training foreign military personnel who are to provide support to an intelligence community analysis center. However, it will be unnecessary to seek CIA coordination for the Department of Defense to provide non-intelligence training to show foreign military personnel the proper techniques of scouting in a strictly tactical military maneuver. We believe the intelligence benefits received would far outweigh the modest training costs anticipated.

2. Foreign Materiel Utilization. The Department of Defense recently has had difficulty in transferring and/or reprogramming sufficient appropriated funds quickly enough to capitalize upon the unanticipated availability of foreign material with significant intelligence value, or to acquire such materiel that may have significant implications for assessing the likelihood of success of possible foreign policy actions. In both cases, timely acquisition and exploitation may be vital. Improved acquisition and exploitation authority will also satisfy foreign materiel requirements crucial to other significant activities such as weapons testing and development. The present acquisition and exploitation system does not have sufficient flexibility to respond to these needs. Any information or materiel exchanged, pursuant to an agreement with a foreign country or international organization will be fully coordinated in accordance with applicable law or regulation before such exchange takes place.

The Honorable Thomas S. Foley

COST AND BUDGET DATA

1. Intelligence Training for Foreign Military Personnel. Use of this training authority anticipated inclusion of small numbers of foreign military personnel in existing, ongoing DoD training programs or classes. Hence, this proposal will result in only a slight increase in existing training requirements. We anticipate that the cost of this added training increment will be minimal.

2. Foreign Materiel Utilization. There will be no cost to this legislation, since it merely amends the foreign materiel acquisition and exploitation procedures. The cost of the acquisition and exploitation program that will utilize this authority is addressed in the appropriations process. Meaningful cost and budget data are reviewable in that context.

OFFICE OF CONGRESSIONAL AFFAIRS

Routing Slip

	ACTION	INFO
1. DD/OCA		
2. DD/Legislation		x
3. DD/Senate Affairs	x	
4. Ch/Senate Affairs		x
5. DD/House Affairs		
6. Ch/House Affairs		x
7. Admin Officer		
8. FOIA Officer		
9. Constituent Inquiries Officer		
10. DD/OCA		x
11.		
12.		

SUSPENSE

6 Sep 89
Date

Action Officer:

Remarks:

AJP 10 Aug 89

Name/Date

Completed 8 Sept 89

OCA # 3124-89

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OCA 2803-89



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

SPECIAL

August 7, 1989

LEGISLATIVE REFERRAL MEMORANDUM

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SUBJECT: Defense draft proposal 101-62, "The Military Intelligence Authorities Enhancement Act."

The Office of Management and Budget requests the views of your agency on the above subject before advising on its relationship to the program of the President, in accordance with OMB Circular A-19.

A response to this request for your views is needed no later than WEDNESDAY, SEPTEMBER 6, 1989.

Questions should be referred to **ANNETTE ROONEY/SUE THAU** (395-7300), the legislative analyst in this office.

Ronald K. Peterson

RONALD K. PETERSON FOR
Assistant Director for
Legislative Reference

Enclosure

cc: D. Gessaman	T. Thiele
E. Rea	B. Retzlaff
J. Ashford	A. Donahue

SPECIAL

DOD 101-62

The Honorable James Wright
Speaker of the House of Representatives
Washington, D.C. 20515

Dear Mr. Speaker:

Allow me to submit for consideration the attached draft legislation, which is intended to improve existing military intelligence collection, production and dissemination capabilities. This legislation can be entitled "The Military Intelligence Authorities Enhancement Act."

This proposal is part of the Department of Defense legislative program for the [] Congress. The Office of Management and Budget advises that, from the standpoint of the Administration's program, there is no objection to presenting this legislation to the Congress for consideration at this time.

PURPOSE OF THE LEGISLATION

This proposal seeks to ameliorate several shortcomings in authority that currently degrade our ability to collect, produce and disseminate the quantity and quality of foreign intelligence and counterintelligence necessary for the national defense.

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2. Foreign Materiel Utilization. The Department of Defense recently has had difficulty in transferring and/or reprogramming sufficient appropriated funds quickly enough to capitalize upon the unanticipated availability of foreign materiel with significant intelligence value, or to acquire such materiel that may have significant implications for assessing the likelihood of success of possible foreign policy actions. In both cases, timely acquisition and exploitation may be vital. Improved acquisition and exploitation authority will also satisfy foreign materiel requirements crucial to other significant activities such as weapons testing and

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2. Foreign Material Utilization. There will be no cost to this legislation, since it merely amends the foreign materiel acquisition and exploitation procedures. The cost of the acquisition and exploitation program that will utilize this authority is addressed in the appropriations process. Meaningful cost and budget data are reviewable in that context.

2 Enclosures

1. Draft Bill
2. Section-by-Section
Analysis

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